



Zai Lab's Updated Statement on SEC Listing Matter

June 1, 2022

Zai Lab Limited (the "Company") announced, effective May 31, 2022, that KPMG LLP has been engaged to be the auditor for the Company. The Company believes the appointment of this U.S.-based auditor, which will be conducting its audit of the Company in the U.S., means the Company will be deemed compliant with the terms of the HFCAA upon the filing of the Company's next annual report in March 2023 and will accordingly not be subject to delisting from Nasdaq.

Background

In March 2022, pursuant to the Holding Foreign Companies Accountable Act (HFCAA), the staff of the U.S. Securities and Exchange Commission (SEC) conclusively identified Zai Lab Limited as a company that filed an annual report with an audit report issued by a registered public accounting firm that is located in a foreign jurisdiction that the Public Company Accounting Oversight Board (PCAOB) is unable to inspect or investigate completely because of a position taken by an authority in the foreign jurisdiction.

The Company anticipated this identification, which is a routine application of the HFCAA, and has been evaluating, designing, and implementing additional business processes and control changes to meet the requirements of the HFCAA. On May 31, 2022, the Company engaged KPMG LLP to be our registered public accounting firm for the fiscal year ending December 31, 2022. KPMG LLP is located in the U.S. and is subject to full inspection and review by the PCAOB. This change to a U.S.-based firm is consistent with our continuing evolution into a global biopharmaceutical company with operations and principal executive offices in both the U.S. and China.

Zai Lab believes it should *not* be delisted by the SEC from Nasdaq as a result of its identification under the HFCAA for 2022. Delisting may only occur under the HFCAA if the Company has been so identified for three consecutive years. Further, because of our engagement of KPMG LLP, we believe that we will be in compliance with the HFCAA requirements beginning with our annual report for the fiscal year ending December 31, 2022, and that we will not be conclusively identified under the HFCAA in 2023 or going forward.

Please see important information and disclosures on these topics in our most recent annual and quarterly reports and related current reports, which are available on our website at www.zailaboratory.com or on the SEC's website at www.sec.gov.